

LAW OFFICES OF
DAVIS, WRIGHT, TODD, RIESE & JONES

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WASHINGTON, D. C. 20007

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TELECOPIER: (202) 342-1522

RECORDATION NO. 8168-D FILED 1425

4200 SEATTLE-FIRST NATIONAL BANK BUILDING
SEATTLE, WASHINGTON 98154

(206) 622-3150

TELEX: 328919

TELECOPIER: (206) 622-4322

510 L STREET

SUITE 405

ANCHORAGE, ALASKA 99501

(907) 276-4488

TELECOPIER: (907) 279-1761

FFB 11 1982 -3 25 PM

PLEASE REPLY TO WASHINGTON, D. C. OFFICE

February 11, 1982 **INTERSTATE COMMERCE COMMISSION**

2-042A098

The Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue, N.W.
Room 2303
Washington, D.C. 20423

No. **FEB 11 1982**
Date

Fee \$ 50.00

ICC Washington, D. C.

Re: Document for Recordation

Sir:

Enclosed herewith is a document for recordation pursuant to the requirements of 49 C.F.R. Part 1116.2

The document submitted for recordation is an Assignment and Securities Agreement dated as of January 15, 1982, by and between Schoenfeld Investment Corporation (the "Debtor"), and Seattle-First National Bank, (the "Secured Party"). The subject equipment is leased by the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and is as follows:

Type:	100 ton low side gondola cars
Quantity:	220
Lessee's Road Numbers	
(Both Inclusive):	MILW 81000-81194
	MILW 92100-92124

The addresses of the parties are as follows:

Schoenfeld Investment Corporation
676 South Industrial Way
Seattle, Washington 98106

Seattle First National Bank
Corporate Banking Department
P. O. Box C-34997
Seattle, Washington 98124

FEB 11 3 10 PM '82

The Secretary
Interstate Commerce Commission
February 11, 1982
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The address of the Lessee is:

Chicago, Milwaukee, St. Paul and
Pacific Railroad Company
516 West Jackson Boulevard
Chicago, Illinois 60606
Attn: Vice President,
Finance and Accounting
Room 746

The following information concerns the filing with the
Interstate Commerce Commission of the underlying
documentation:

(a) Conditional Sale Agreement - filed on December
31, 1975, at 9:35 a.m. under Recording No. 8168.

(b) Lease - filed on December 31, 1975, at 9:35
a.m., under Recording No. 8168-B.

(c) Collateral Assignment of Lease - filed on
December 31, 1975, at 9:35 a.m. under Recording No. 8168-C.

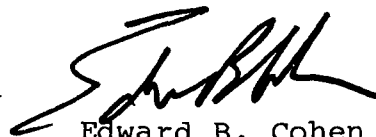
Enclosed is a check in the amount of \$50.00 for the
recordation fee as required under 49 C.F.R. 1116.3(d).

Thank you for your kind attention.

Sincerely,

DAVIS, WRIGHT, TODD, RIESE & JONES

By



Edward B. Cohen
Counsel for
Seattle-First National Bank

PLEASE RETURN THE ORIGINAL DOCUMENT TO THE UNDERSIGNED.

ASSIGNMENT AND SECURITY AGREEMENT

RECORDATION NO. 8168-D
FFB 11 1982 -3 25 PM
INTERSTATE COMMERCE COMMISSION

ASSIGNMENT AND SECURITY AGREEMENT dated as of January 15, 1982, by and between SCHOENFELD INVESTMENT CORPORATION, a Washington corporation (the "Debtor"), and SEATTLE-FIRST NATIONAL BANK, a national banking association (the "Secured Party"):

RECITALS

Debtor and Secured Party have entered into a Guaranty Agreement (the "Guaranty Agreement") of even date under which Debtor has guaranteed payment of obligations of Schoenfeld Industries, Inc. from time to time owing to Secured Party and Debtor desires to secure its obligations under the Guaranty Agreement as provided in this Assignment and Security Agreement; and

Debtor and Chicago, Milwaukee, St. Paul and Pacific Railroad Company (the "Leasee") have entered into a Lease of Railroad Equipment (the "Lease") dated as of December 1, 1975, which was assigned by Debtor (as "Lessor" thereunder) to Seattle-First National Bank, as Agent, under a Collateral Assignment of Lease (the "Collateral Assignment of Lease") dated as of December 1, 1975, to secure Debtor's obligations under the Conditional Sale Agreement (as defined in the Collateral Assignment of Lease).

In consideration of the premises and other good and valuable consideration, the parties agree as follows:

1. The Debtor hereby assigns, transfers and sets over to Secured Party, and hereby grants a security interest to Secured Party in, as security for the performance of the Debtor's obligations under the Guaranty Agreement, (a) all of Debtor's right, title and interest as Lessor under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Debtor from the Lessee under or pursuant to the provisions of the Lease, whether as rent, casualty payment, indemnity, liquidated damages or otherwise (such moneys being hereinafter called the Payments), the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in

the Lease, the rights of Lessor under the Lease in and to the Units (as defined in the Lease and described on annexed Schedule A), and to do any and all other things whatsoever which the Debtor, as Lessor, is or may become entitled to do under the Lease and (b) all of Debtor's right, title and interest in and to the Units (described on annexed Schedule A) upon termination or expiration of the Lease. In furtherance of the foregoing assignment, the Debtor hereby irrevocably authorizes and empowers the Secured Party in its own name, or the name of its nominee, or in the name of the Secured Party or its attorney, to ask, demand, sue for, collect and receive any and all sums to which the Debtor is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

2. This Assignment and Security Agreement is executed only as security and, therefore, the execution and delivery of this Assignment and Security Agreement shall not subject the Secured Party to, or transfer, or pass, or in any way affect or modify the liability of the Debtor under the Lease, it being understood and agreed that notwithstanding this Assignment and Security Agreement or any subsequent assignment, all obligations of the Debtor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Debtor or persons other than the Secured Party.

3. To protect the security afforded by this Assignment and Security Agreement the Debtor agrees as follows:

(a) The Debtor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides are to be performed by the Debtor; without the written consent of the Secured Party, the Debtor will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Debtor agrees that any amendment, modification or termination thereof without such consent shall be void.

(b) At the Debtor's sole cost and expense, the Debtor will appear in and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of the Debtor under the Lease.

(c) Should the Debtor fail to make any payment or to do any act which this Assignment and Security Agreement requires the Debtor to make or do, then the Secured Party, but without obligation so to do, after first making written demand upon the Debtor and affording the Debtor a reasonable period of time within which to make such payment or do such act, but without releasing the Debtor from any obligation hereunder, may make or do the same in such manner and to such extent as the Secured Party may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof and the rights or powers of the Secured Party, and also the right to perform and discharge each and every obligation, covenant and agreement of the Debtor contained in the Lease; and in exercising any such powers, the Secured Party may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorneys' fees, and the Debtor will reimburse the Secured Party for such costs, expenses and fees with interest at 18% per annum.

4. The Debtor does hereby constitute the Secured Party the Debtor's true and lawful attorney, irrevocably, with full power (in the name of the Debtor, or otherwise), to ask, require, demand, receive, compound and give acquittance for any and all Payments due and to become due under or arising out of the Lease to which the Debtor is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Secured Party may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all the Assignor's obligations under the Guaranty Agreement, this Assignment and Security Agreement and all rights herein assigned to the Secured Party shall terminate, and all estate, right, title and interest of the Secured Party in and to the Lease shall revert to the Debtor.

6. The Debtor represents and warrants that (a) the execution and delivery by the Assignor of the Lease and this Assignment and Security Agreement has been duly authorized, and the Lease and this Assignment and Security Agreement are and will remain the valid and binding obligations of the Debtor in accordance with their terms, (b) the Debtor has not executed any other assignment of the Lease and the Secured Party's right to receive all Payments under the Lease is and will continue to be

free and clear of any and all liens, agreements, security interests or other encumbrances, except as provided in the Collateral Assignment of Lease, (c) notwithstanding this Assignment and Security Agreement, the Assignor will conform and comply with each and all of the covenants and conditions in the Lease set forth to be complied with by it, (d) to the knowledge of the Debtor, it has performed all obligations on its part to be performed under the Lease on or prior to the date hereof and (e) the Lease is in full force and effect and has not been canceled and to the best knowledge of the Debtor there has not occurred on or prior to the date hereof any Event of Default under the Lease or any event of default under the Conditional Sale Agreement (as defined in the Collateral Assignment of Lease) or any event which with notice and/or lapse of time would constitute such an Event of Default or event of default.

7. The Debtor covenants and agrees with the Secured Party that in any suit, proceeding or action brought by the Secured Party, as assignee of the Debtor's right, title and interest under the Lease for any installment of, or interest on, any rental or other sum owing thereunder, or to enforce any provisions of the Lease, the Debtor will save, indemnify and keep the Secured Party harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim or recoupment whatsoever of the Lessee, or its successors, arising out of a breach by the Debtor of any obligation under the Lease or arising out of any other indebtedness or liability at any time owing to the Lessee or its successors from the Debtor. Any and all such obligations of the Debtor shall be and remain enforceable against and only against the Secured Party and shall not be enforceable against the Secured Party or any parties in whom any of the rights of the Debtor under the Lease shall vest by reason of successive assignments or transfers.

8. The Debtor will, from time to time, do and perform any other act and will execute, acknowledge, deliver and file, register, deposit and record (and will refile, re-register, re-record or redeposit whenever required) any and all further instruments required by law or reasonably requested by the Secured Party in order to confirm or further assure the interests of the Secured Party hereunder.

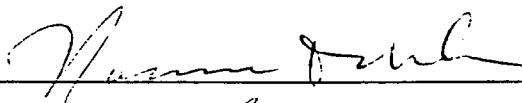
9. This Assignment and Security Agreement shall be governed by the laws of the State of Washington, but the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

10. The Debtor will promptly cause this Assignment and Security Agreement to be filed and recorded in accordance with Section 20c of the Interstate Commerce Act.


11. Secured Party acknowledges and agrees that all of its rights hereunder are subject to the Collateral Assignment of Lease and further subject to the rights of the Lessee under the Lease.

Executed by the duly authorized representatives of the parties as of the date first above written.

SCHOENFELD INVESTMENT CORPORATION

By 
Title: V.P.

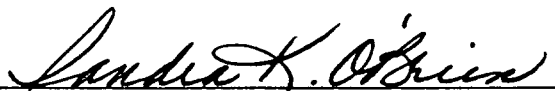
SEATTLE-FIRST NATIONAL BANK

By 
Title: Vice President

STATE OF WASHINGTON)
)
COUNTY OF KING) ss.

On this 2ND day of FEBRUARY, 1982, before me, a Notary Public in and for the State of Washington, personally appeared NORMAN R. NELSON, to me known to be the VICE PRESIDENT of SCHOENFELD INVESTMENT COMPANY, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument, and that the seal affixed thereto is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.


NOTARY PUBLIC in and for the State
of Washington, residing at Seattle

STATE OF WASHINGTON)
)
COUNTY OF KING) ss.

On this 2ND day of FEBRUARY, 1982, before me, a Notary Public in and for the State of Washington, personally appeared REED LLOYD, to me known to be a Vice President of SEATTLE-FIRST NATIONAL BANK, the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument, and that the seal affixed thereto is the corporate seal of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

Sandra K. O'Brien
NOTARY PUBLIC in and for the State
of Washington, residing at *Seattle*

2964W

Schedule A to
Assignment and Security Agreement

Type: 100 ton low side gondola cars

Quantity: 220

Lessee's Road Numbers
(Both Inclusive):

MILW 81000-81194
and
MILW 92100-92124